#### LAW OFFICES OF STEPHEN R. WADE, P.C.

W. Derek May, CA State Bar No. 246327 Admitted Pro Hac Vice 350 W. Fourth Street Claremont, CA 91711

Phone: 909-985-6500 Fax: 909-399-9900

Counsel for Marlow Hooper and Monique Hooper

### UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF NEW YORK

	)	
In re:	)	Case No. 12-12020 (MG)
RESIDENTIAL CAPITAL, LLC, et al.,	)	Chapter 11
Dobtono	)	Tointle: A durinistand
Debtors.	)	Jointly Administered

## CREDITORS MARLOW HOOPER AND MONIQUE HOOPER'S OPPOSITION TO DEBTORS' FIFTY-FIRST OMNIBUS OBJECTION TO CLAIM BASED UPON RES JUDICATA

TO THE HONORABLE MARTIN GLENN UNITED STATES BANKRUPTCY JUDGE:

Creditors Marlow Hooper and Monique Hooper ("Creditors"), the filers of Claim No. 1007, filed on October 5, 2012, submit the following opposition to Debtors' Fifty First Omnibus Objection to Claim based upon Res Judicata:

#### RELIEF REQUESTED

- 1. Creditors request that the objection by the Debtors be overruled as pre-mature and without an adequate basis for objection under 11 U.S.C. Section 502 as Creditors possess a contingent claim.
- 2. The claim is contingent in that is dependent upon the outcome of an appeal that was pending at the time of the Debtors' bankruptcy filings and the claim was filed to preserve their rights to distribution in the event of a reversal.

#### **BACKGROUND**

- 3. The Creditors filed for protection under Chapter 7 of Title 11 of the U.S. Bankruptcy Code on October 15, 2008 in the bankruptcy court for the Central District of California, Riverside Division. (See Declaration of W. Derek May, filed concurrently herewith, ¶ 2)
- 4. On June 11, 2009, Karl T. Anderson as Trustee initiated an Adversary Proceeding, Adv. No. 6:09-ap-01275 MJ (the "Adversary"), wherein Karl T. Anderson as trustee sought to avoid certain transfers to GMAC Mortgage, LLC ("GMAC") under Sections 547 and 550 of the Bankruptcy Code. (See Id. at ¶ 3)
- 5. On September 15, 2009, GMAC, by an through its counsel, Wolfe and Wyman by Yaron Shalam Esq., filed a Proof of Claim, identified as Proof of Claim #3-1. (See Id. at ¶ 4)
- 6. On December 21, 2010, the Chapter 7 Trustee filed a Motion for Order Authorizing Trustee's Global Compromise of the Adversary proceeding. Creditors opposed the Compromise by filing opposition on December 29, 2010 and already had an objection to the claim of GMAC on file on November 30, 2010. (See Id. at ¶ 5)
- 7. The bankruptcy judge granted the Compromise and thereafter overruled the Debtor's objection to the claim of GMAC. (See Id. at ¶ 6)
- 8. Two notices of appeal were filed, one of the Order Approving the Compromise and one of the Order Overruling Debtor's Objection. (See Id. at ¶ 7)
- 9. The appeal of both orders proceeded before the Bankruptcy Appellate Panel for the Ninth Circuit. (See Id. at  $\P$  8)
- 10. The BAP affirmed the bankruptcy court orders in their entirety on February 14, 2012. (See Id. at ¶ 9)
- 11. On March 10, 2012, the Creditors timely filed a notice of appeal of the BAP's decision to the Ninth Circuit Court of Appeals. (See Id. at ¶ 10)
- 12. On May 14, 2012, the Debtors filed a voluntary petition in this Court for relief under Chapter 11 of the Bankruptcy Code.(See Id. at ¶ 11)

- 13. The Creditors filed their proof of claim on October 5, 2012, Claim No. 1007 (See Id. at ¶ 12; See also Creditor's Proof of Claim No. 1007, attached as Exhibit "A" to the Declaration of W. Derek May).
- 14. The appeal has been fully briefed and oral argument is scheduled for January 9, 2014. (See Id. at ¶13; See also Docket for Ninth Circuit Court of Appeals and the schedule for oral argument, attached as Exhibit "B" to the Declaration of W. Derek May; Appellants' Opening Brief, attached as Exhibit "C" to the Declaration of W. Derek May).

#### RES JUDICATA CANNOT BE USED TO BAR A CONTINGENT CLAIM

- 15. Section 502(b)(1) of the Bankruptcy Code provides in relevant part, that a claim may not be allowed to the extent that "such claim is unenforceable against the debtor and property of the debtor, under any agreement or applicable law for a reason other than because such claim is contingent or unmatured."
- 16. A contingent claim is defined in the case of Ogle v. Fidelity & Deposit Co. of Maryland, 586 F.3d 143, 146 (2nd Cir., 2009):

A "contingent" claim under the Code refers "to obligations that will become due upon the happening of a future event that was within the actual or presumed contemplation of the parties at the time the original relationship between the parties was created." In re Manville Forest Prods. Corp., 209 F.3d 125, 128-29 (2d Cir.2000) (internal quotation marks omitted). "A claim will be deemed to have arisen pre-petition if the relationship between the debtor and the creditor contained all of the elements necessary to give rise to a legal obligation — a right to payment — under the relevant non-bankruptcy law." Id. at 129

The contingent nature of the Creditor's claim in this case is evident. Only if the pending appeal is rendered in Creditor's favor on their claim objection, would GMAC be required to return proceeds previously distributed by the Creditor's Chapter 7 Trustee pursuant to the Compromise. The extrinsic event is the decision on appeal in the Creditor's favor. In the absence of a pending appeal, the claim would be non-contingent and the objection based upon res judicata grounds would be appropriate. However, since there is still a chance in this case that the contingency could be recognized, it is pre-mature to deny and expunge it on res judicata grounds.

17. By the filing of their proof of claim, the Creditors are not requesting that this Court

12-12020-mg Doc 6046 Filed 12/09/13 Entered 12/09/13 15:58:56 Main Document Pg 4 of 33

re-litigate matters that have already been decided or will be decided on the appeal. The Creditors are asking that this Court not disallow or expunge their claim at this time so the appellate court that the issues are properly before can make that decision and there still be an avenue for the Creditor's or their estate to recover a portion of the funds distributed to GMAC. In the event of a loss on the appeal, the Creditors will withdraw their claim to prevent the need for a further objection.

18. The use of the doctrine of res judicata should be limited. In <u>In re Enewally</u>, 368 F.3d 1165, 1172-73 (9th Cir., 2004), the Court stated "[w]e have recently observed that in the unique bankruptcy context, "the principle of res judicata should be invoked only after careful inquiry because it blocks unexplored paths that may lead to truth...." (Citing <u>Latman v. Burdette</u>, 366 F.3d 774 (9th Cir.2004)). In this particular case, the Creditors rights may be vindicated on appeal and in such an event, the Creditors, or their estate, may be entitled to a return of funds paid over to GMAC. Claim 1007 in this case was filed to preserve those rights.

#### **CONCLUSION**

19. Based on the analysis set forth above and the Declaration of W. Derek May, the Objection to Claim No. 1007 of the Creditors should be overruled without prejudice pending the outcome of the pending appeal.

Dated: December 9, 2013

Respectfully Submitted,

LAW OFFICES OF STEPHEN R. WADE, P.C.

W. Derek May

# DECLARATION OF W. DEREK MAY IN SUPPORT OF CREDITORS MARLOW HOOPER AND MONIQUE HOOPER'S OPPOSITION TO DEBTORS' FIFTY-FIRST OMNIBUS OBJECTION TO CLAIM BASED UPON RES JUDICATA

#### I, W. Derek May, hereby declare that:

- 1. I am an attorney licensed to practice law in the State of California and admitted to practice before this Court on a limited basis as attorney for Creditors Marlow Hooper and Monique Hooper pursuant to this Court's order entered on November 26, 2013, Docket #5952. I have personal knowledge of the facts contained herein and if called upon to testify thereon, I could competently testify regarding the same.
- 2. The Creditors Marlow Hooper and Monique Hooper ("Creditors") filed for protection under Chapter 7 of Title 11 of the U.S. Bankruptcy Code on October 15, 2008 in the bankruptcy court for the Central District of California, Riverside Division.
- 3. On June 11, 2009, Karl T. Anderson as Trustee initiated an Adversary Proceeding, Adv. No. 6:09-ap-01275 MJ (the "Adversary"), wherein Karl T. Anderson as trustee sought to avoid certain transfers to GMAC Mortgage, LLC ("GMAC") under Sections 547 and 550 of the Bankruptcy Code.
- 4. On September 15, 2009, GMAC, by an through its counsel, Wolfe and Wyman by Yaron Shalam Esq., filed a Proof of Claim, identified as Proof of Claim #3-1.
- 5. On December 21, 2010, the Chapter 7 Trustee filed a Motion for Order Authorizing Trustee's Global Compromise of the Adversary proceeding. Creditors opposed the Compromise by filing opposition on December 29, 2010 and already had an objection to the claim of GMAC on file on November 30, 2010.
- 6. The bankruptcy judge granted the Compromise and thereafter overruled the Debtor's objection to the claim of GMAC.
  - 7. Two notices of appeal were filed, one of the Order Approving the Compromise and

12-12020-mg Doc 6046 Filed 12/09/13 Entered 12/09/13 15:58:56 Main Document

one of the Order Overruling Debtor's Objection.

8. The appeal of both orders proceeded before the Bankruptcy Appellate Panel for the

Ninth Circuit.

9. The BAP affirmed the bankruptcy court orders in their entirety on February 14, 2012.

10. On March 10, 2012, the Creditors timely filed a notice of appeal of the BAP's

decision to the Ninth Circuit Court of Appeals.

11. On May 14, 2012, the Debtors filed a voluntary petition in this Court for relief under

Chapter 11 of the Bankruptcy Code.

12. The Creditors filed their proof of claim on October 5, 2012, Claim No. 1007.

Attached hereto as Exhibit "A" and incorporated herein by reference is a true and correct copy of the

Creditor's Proof of Claim No. 1007.

13. The appeal has been fully briefed and oral argument is scheduled for January 9, 2014.

Attached hereto as Exhibit "B" and incorporated herein by reference is a true and correct copy of the

Docket for the Ninth Circuit Court of Appeals and the schedule for oral argument. Attached hereto

as Exhibit "C" and incorporated herein by reference is a true and correct copy of the Appellants'

Opening Brief.

I hereby declare under penalty of perjury under the laws of the United States that the

foregoing is true and correct.

Executed in Claremont, California

Dated: December 9, 2013

12-12020-mg Doc 6046 Filed 12/09/13 Entered 12/09/13 15:58:56 Main Document Pg 8 of 33

B 10 Modified (Official Form 10) (12/11)

D 10 12 statica (Canota r othi ro) (12:11	·/		· · · · · · · · · · · · · · · · · · ·
	COURT FOR THE SOUTHERN		PROOF OF CLAIM
Name of Debtor and Case Number:	GMAC Mortgage, LLC, Case	No. 12-12032	
NOTE: This form should not be used t	to make a claim for an administrative expense (ot	ther than a claim asserted under 11 U.S.C. § 503(b)(9)) ar laim asserted under 11 U.S.C. § 503(b)(9)) may be filed pu	ising after the commencement of the rsuant to 11 U.S.C § 503.
Name of Creditor (the person or other entity to whom the debtor owes money or property):			☐ Check this box if this claim
Marlow Hooper and Monique Hooper			amends a previously filed claim.
Name and address where notices should	be sent:	•	Court Claim
Marlow Hooper, 12471	Melon Drive, Rancho Cuca	monga, CA 91739	Number:(If known)
•		,	Filed on:
			☐ Check this box if you are aware
Telephone number: 909-559-4949	email	<u>l:</u>	that anyone else has filed a proof of claim relating to this claim.
Name and address where payment should	d be sent (if different from above):		Attach copy of statement giving
		orania di Santa da S Managaran	particulars.
M-1		T.	5. Amount of Claim Entitled to Priority under 11 U.S.C.
Telephone number:	emai	1:	§507(a). If any part of the claim
I. Amount of Claim as of Date Case	<sub>e Filed: \$</sub> \$460,000		falls into one of the following categories, check the box
if all of part of the electricity of	anthree man at		specifying the priority and state the amount.
If all or part of the claim is entitled to	. ,, .	ipal amount of the claim, Attach a statement that itemizes	
interest or charges.	s and set of ones, charges in addition to the princi	tpai amount or the claim, Amaen a statement trat neimizes	Domestic support obligations under 11 U.S.C.
<u> </u>	nt to Sale Proceeds of Primary Residence-Pending Appeal-S	See Attachment	§507(a)(1)(A) or (a)(1)(B).
(See instruction #2)			Wages, salaries, or
3. Last four digits of any number by which creditor identifies debtor:	3a. Debtor may have scheduled account as:	3b. Uniform Claim Identifier (optional):	commissions (up to \$11,725*) earned within 180 days before the case was filed or the
	(See instruction #3a)	(See instruction #3b)	debtor's business ceased, whichever is earlier – 11
4. Secured Claim (See instruction #4)			U.S.C. §507 (a)(4).  C Contributions to an employee
check the appropriate box if the claim is requested information.	s secured by a lien on property or a right of setor	ff, attach required redacted documents, and provide the	benefit plan – 11 U.S.C. §507 (a)(5).
	□ Real Estate □ Motor Vehicle □ Other		Up to \$2,600* of deposits
Describe: Value of Property: \$	Annual Interest Rate% C	JFixed @Variable	toward purchase, lease, or rental of property or services
	for personal, family, or		
Amount of arrearage and other charg	household use - 11 U.S.C. §507 (a)(7).		
if any: S	Basis for perfec	ction:	☐ Taxes or penalties owed to
Amount of Secured Claim: \$	Amount Unsec	ared: \$	governmental units – 11U.S.C. §507 (a)(8).
			Other - Specify applicable
commencement of the above case, in which	from the value of any goods received by the Debtor	within 20 days before May 14, 2012, the date of inary course of such Debtor's business. Attach documentation	paragraph of 11 U.S.C. §507 (a)().
supporting such claim.	(See instruction #6)	·	Amount entitled to priority:
	<del></del>	of making this proof of claim. (See instruction #7)	
itemized statements of running account completed, and reducted copies of doc	s. contracts, judgments, mortgages, and security	such as promissory notes, purchase orders, invoices, agreements. If the claim is secured, box 4 has been nurity interest are attached. (See instruction #8, and the	* Amounts are subject to
definition of "reducted".) DO NOT SEND ORIGINAL DOCUM	ያ ያው V እእና ይግማሪቴስ ነገርጥ በብርሃ እናምል ይግሃዊ	DESTROYED AFTER SCANNING	adjustment on 4/1/13 and ever 3 years thereafter with respec
DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.  If the documents are not available, please explain:			to cases commenced on or
9. Signature: (See instruction #9) Chec	<del></del>		after the date of adjustment.
■ I am the creditor. □ I am the cred	attended to the second of the	stee, or the debtor, or I am a guarantor, surety, indorser, or other codebtor.	
	(See Bankrupt	tcy Rule 3004.) (See Bankruptcy Rule 3005.)	
I declare under penalty of perjury that to reasonable belief.	the information provided in this claim is true and	correct to the best of my knowledge, information, and	
Print Name: Marlow Hooper	<i>(</i> _/	A = 11/2/11	
Title:	(Signature)	(Date)	<del>-</del>
Address and telephone number (if diffe	erent from notice address above):	t <b>V</b> (Date)	
	***************************************		-
Telephone number:	Email:		COURT USE ONLY

#### **Attachment to Proof of Claim Form**

- 1. Marlow and Monique Hooper are currently appellants in a case pending in the Ninth Circuit Court of Appeals against GMAC Mortgage, LLC ("GMAC"). The case number of that pending appeal is Case No. 12-60013.
- 2. Part of the appeal involves the opposition to a Compromise between GMAC and the Chapter 7 Trustee of Marlow and Monique Hooper's bankruptcy. The compromise involved the division of sales proceeds of Marlow and Monique Hooper's primary residence between the Chapter 7 Trustee's administrative fees, the Hooper's other creditors, and GMAC.
- 3. In the event that GMAC Mortgage, LLC has already received the sales proceeds contemplated by the Compromise and that such Compromise is disallowed or modified on appeal, all or a portion of the proceeds received by GMAC Mortgage, LLC may need to be returned to the Marlow and Monique Hooper and/or their bankruptcy estate and they would be entitled to a claim in this case for that amount, which could be as large as \$460,000, the amount of the proceeds purportedly turned over to GMAC Mortgage, LLC pursuant to the Compromise.

12-12020-mg Doc 6046 Filed 12/09/13 Entered 12/09/13 15:58:56 Main Document Pg 10 of 33

Case 6:08-bk-24094-MJ Doc 76 Filed 12/21/10 Entered 12/21/10 19:24:18 Desc Main Document Page 1 of 12

Thomas J. Polis, Esq. - SBN 119326
POLIS & ASSOCIATES
A PROFESSIONAL LAW CORPORATION
19800 MacArthur Boulevard, Suite 1000
Irvine, California 92612-2433
Telephone: (949) 862-0040
Facsimile: (949) 862-0041
E-Mail: tom@polis-law.com

Counsel for Chapter 7 Trustee, Karl T. Anderson

### UNITED STATES BANKRUPTCY COURT CENTRAL DISTRICT OF CALIFORNIA, RIVERSIDE DIVISION

In re Case No. 6:08-bk-24094-MJ Chapter 7 MARLOW **HOWARD HOOPER** MONIQUE L. HOOPER, CHAPTER 7 TRUSTEE'S MOTION FOR ORDER AUTHORIZING TRUSTEE'S GLOBAL COMPROMISE ADVERSARY. Debtors. PROCEEDING [ADV. PROC. 6:09-01275-MJ]; DECLARATION OF CHAPTER ? TRUSTEE IN SUPPORT THEREOF **Hearing Date:** Date: January 11, 2011 Time: 10:00 a.m. Ctrm: 301, 3rd 3420 Twelfth St.

Plaintiff, Karl T. Anderson, exclusively in his capacity as Chapter 7 Trustee ("Trustee") of the bankruptcy estate of *In re Marlow Howard Hooper and Monique L. Hooper*, Case No. 6:08-bk-24094-MJ ("Debtor") brings this *Motion For Order Authorizing Trustee's Settlement Agreement And Global Compromise of Adversary Proceeding [Adv. Proc.* 6:09-ap-01275-MJ].

Riverside, CA 92501

The Trustee believes that the proposed settlement between the Debtors' estate, the Trustee, GMAC Mortgage, LLC ("GMAC"), ETS Services, LLC ("ETS"), Mortgage Electronic Registration Systems, Inc. ("MERS", and collectively with ETS and MERS, the "Lender") is in the best interest of the Debtors' bankruptcy estate and its creditors, will avoid costly litigation and allow for the most efficient and expeditious manner to settle the Trustee's claims.

27 | 111

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

28

- ///

1

#### 2

3

## 5

#### 7 8

9

6

### 1<sub>.</sub>0

- 12
- 13 14
- . 15
- 16
- 17
- 18 19
- 20
- 21 22
- 23
- 24
- 2526
- 27

2.8

•••

#### FACTUAL SUMMARY

- 1. On or about October 15, 2008, the Debtors filed a voluntary Bankruptcy Petition under Chapter 7 of the United States Bankruptcy Code ("Bankruptcy Code") in the United States Bankruptcy Court for the Central District of California, Riverside Division (the "Bankruptcy Court"), assigned case number 6:08-bk-24094-MJ. Trustee, Karl T. Anderson was appointed initially as the interim Trustee and, upon the conclusion of the meeting of creditors, is now the permanent Chapter 7 Trustee in this case.
- 2. The Schedules of Assets and Liabilities filed by the Debtors list secured claims against the Debtors' residential property located at 5455 Peppertree Place, Rancho Cucamonga, California, with a legal description of "Lot 19, Tract 16332, in the City of Rancho Cucamonga, County of San Bernardino, State of California, as per Plat recorded in Book 293 of Maps, page(s) 75 to 78, inclusive, records of said county" (the "Property") held by GMAC pursuant to: (1) a first deed of trust in the amount of approximately \$1,077,217.96; and (2) a second deed of trust in the amount of approximately \$163,791.03 (collectively, the "Lender Liens").
- 3. On December 31, 2008, the Lender filed an amended motion [Docket No. 14] (the "Stay Motion") seeking relief from stay with respect to the Property. On February 5, 2009, the Court entered an order [Docket No. 18] granting the Stay Motion.
- 4. On February 19, 2009, the Court entered an order [Docket No. 21] closing the Debtors' Chapter 7 case.
- 5. On April 30, 2009, the Court entered an order [Docket No. 26] granting the Debtors' Motion to Re-open the Chapter 7 Bankruptcy Case.
- 6. On June 11, 2009, Karl T. Anderson as Trustee initiated an Adversary Proceeding, Adv. No. 6:09-ap-01275-MJ (the "Adversary"), wherein Karl T. Anderson as Trustee sought to avoid the certain transfers related to the Lender Liens under Sections 547 and 550 of the Bankruptcy Code.

]]]

7. On or about January 4, 2010, the Trustee filed its Motion for Order Re: Summary

Judgment ("Motion for Summary Judgment") in the Adversary Proceeding. After an initial

hearing on the Motion for Summary Judgment, supplemental briefing was requested by the

Court. The time for the Lender to file its supplemental reply brief, and the continued hearing
on the Motion For Summary Judgment, have been continued from time to time with the
agreement of Karl T. Anderson as Trustee and the Lender. The Lender's supplemental reply
brief currently is due to be filed on February 10, 2011, and the continued hearing on the Motion

for Summary Judgment currently is scheduled for February 24, 2011 at 10:00 a.m.

- 8. On November 24, 2010 the Court entered an order [Docket No. 68] approving the sale of the Property. The Property sale has closed and Karl T. Anderson as Trustee is holding net proceeds for the benefit of the estate in the amount of \$555,911 (the "Net Proceeds") pending further order of the Court.
- 9. Karl T. Anderson, Trustee and the Lender have entered in discussions regarding a resolution of the Adversary and the distribution of the net proceeds of the Property sale, and have reached agreement as set forth herein.

11.

#### SUMMARY TERMS OF THE SETTLEMENT AGREEMENT

- 1. Upon entry of a Court order approving the Stipulation: (a) the *Motion for Summary Judgment* shall be taken off calendar; and (b) Karl T. Anderson as Trustee shall lodge with the Court a *Stipulated Judgment* ("*Judgment*") providing for (i) a portion of the Lender Liens in the amount of \$95,000 to be avoided and preserved for the benefit of the estate pursuant to Section 551 of the Bankruptcy Code, and (ii) the Adversary Proceeding otherwise dismissed with prejudice as to all Defendants.
- 2. Upon entry of the Judgment: (a) the Net Proceeds shall be disbursed as follows: (i) the estate shall retain \$95,000 for payment of (x) a distribution to creditors holding allowed unsecured claims (excluding any deficiency or other claim of the Lender) in the amount of not less than \$10,000, and (y) allowed Chapter 7 administrative expenses and distribution in an amount not to exceed \$85,000; (ii) GMAC shall be allowed a claim in the amount of the

8

9

10

11

12

13

14

15

16

17

18

19

20

21

2.2

23

24

25

26

27

Main Document

less than \$460,000) shall be disbursed to GMAC; and (b) Karl T. Anderson as Trustee shall promptly seek to have the Court close the Debtors' Chapter 7 case.

.7 

3. Upon the later of entry of a final Court order approving the Stipulation and the entry of the Judgment becoming final: (a) Karl T. Anderson in his capacity as Chapter 7 Trustee, irrevocably and unconditionally releases and forever discharges the Defendants from any and all charges, complaints, claims, and liabilities of any kind, including, without limitation, claims for the recovery of preferential transfers, fraudulent conveyances, or other avoidance actions under federal or state law, including all attorneys' fees, interest, expenses, and costs actually incurred or of any nature whatsoever, known or unknown, suspected or unsuspected, which in any way arise from or relate to the Property; and (b) the Defendants irrevocably and unconditionally release and forever discharges the Chapter 7 estate and Karl T. Anderson as Trustee from any and all charges, complaints, claims, and liabilities of any kind, including, without limitation, claims for the recovery of preferential transfers, fraudulent conveyances, or other avoidance actions under federal or state law, including all attorneys' fees, interest, expenses, and costs actually incurred or of any nature whatsoever, known or unknown,

Page 4 of 12

remaining Net Proceeds (not less than \$460,000); and (iii) the remaining Net Proceeds (not

4. To the extent that the releases contained in the foregoing Section 3 are releases to which Section 1542 of the California Civil Code or similar provisions of other applicable law apply, the parties to this stipulation waive any and all rights and benefits conferred upon each of them thereby. Section 1542 provides as follows:

suspected or unsuspected, which in any way arise from or relate to the Property.

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

For avoidance of doubt, the Debtors shall not be entitled to receive any portion
of the Property sale proceeds, whether on account of any asserted homestead exemption or
otherwise.

12-12020-mg	Doc 6046	Filed 12/09/13	Entered 12/09/13	15:58:56	Main Docum	nent
J			4 of 33			

Case 6:08-bk-24094-MJ Doc 76 Filed 12/21/10 Entered 12/21/10 19:24:18 Desc Main Document Page 5 of 12

Note: To the extent there is any discrepancy between the summary presented herein and the express language of the Settlement Agreement, the Settlement Agreement shall control.

Ш.

### BENEFITS OF THE PROPOSED SETTLEMENT AGREEMENT TO THE DEBTORS' BANKRUPTCY ESTATE

The Trustee believes the proposed Settlement is in the best interest of the Debtors' bankruptcy estate and is the most expedient and cost effective method for resolving the above-referenced controversy in that it will avoid costly litigation. The expenses incurred in fully litigating the bankruptcy estate's claims would most likely exceed any additional benefit the estate may achieve from prosecuting any claims asserted against the estate.

IV.

#### MEMORANDUM OF POINTS AND AUTHORITIES

#### A. APPROVAL OF COMPROMISE WITHOUT A HEARING IS PROPER

Local Bankruptcy Rule 9013 provides:

"(a) Matters That May Be Determined Upon Notice and Opportunity to Request Hearing. (OPTIONAL PROCEDURE).

Upon not less than 15 days notice to such creditors and interested parties who are entitled to notice of the particular matter, orders may be obtained on the following types of motions without a hearing unless one is specifically requested by filing and serving a written response that complies with Local Bankruptcy Rule 9013-1(1)(g) and request for hearing within fifteen (15) days of service of the date of the notice ...

(xiv) Other motions. The Court may determine other motions using this procedure provided that the motion specifies why this procedure is appropriate under 11 U.S.C. Section 102(1)(B) given the facts of the case." (Emphasis added.)

11 U.S.C. Section 102(1)(B) provides:

"'After notice and a hearing,' or a similar phrase -

- (B) authorizes an act without an actual hearing if such notice is given properly and if-
  - (I) such a hearing is not requested timely by a party in interest; or

Case 6:08-bk-24094-MJ

Doc 76 Filed 12/21/10 Entered 12/21/10 19:24:18 Desc Main Document Page 6 of 12

1 2

(ii) there is insufficient time for a hearing to be commenced before such act must be done, and the court authorizes such act;"

3

5

6

7

9 10

11

12

1.3

14 15

16

17 18

19

20 21

2.5

23

2425

26

27

28

The Trustee believes Rule 9013 of the Local Bankruptcy Rules of the United States Bankruptcy Court for the Central District of California provides an expeditious and efficient opportunity and notice for hearing procedure which is appropriate for this Motion to approve a favorable settlement.

#### B. <u>UPON APPROVAL BY THE COURT, A TRUSTEE MAY COMPROMISE A CLAIM OF THE DEBTORS'</u>

#### BANKRUPTCY ESTATE

Bankruptcy Rule 9019(a) provides:

"On motion by the Trustee and after notice and a hearing, the court may approve a compromise or settlement. Notice shall be given to creditors, the United States Trustee, the debtor, and indenture trustees as provided in Rule 2002 and to any other entity as the court may direct."

Thus, upon notice to the Debtors' creditors, the United States Trustee, Debtor, and indenture trustees, Trustee may compromise a claim of the estate.

#### C. THE BANKRUPTCY COURT MAY APPROVE A COMPROMISE WHICH IS FAIR AND EQUITABLE

The purpose of a compromise and settlement between a trustee and a claimant is to allow the parties to avoid the expenses and burdens associated with litigation. *Martin v. Kane (In re A & C Properties*, 784 F.2d 1377, 1380-81 (9<sup>th</sup> Cir. 1986), *cert. denied sub mon, Martin v Robinson*, 479 U.S. 854 (1986). The bankruptcy court has great latitude in approving compromise agreements as long as it finds that the compromise is fair and equitable. *Id.* at 1382; See also, *Woodson v Fireman's Fund Insurance Company (In re Woodson*, 839 F.2d 610, 620 (9<sup>th</sup> cir. 1988). In determining the fairness, reasonableness and adequacy of a proposed settlement agreement, the Court must consider the following factors:

- (a) the probability of success in the litigation;
- (b) the difficulties, if any, to be encountered in the matter of collection;
- (c) the complexity of the litigation involved, and the expense, inconvenience, and delay necessarily attending it; and

(d) the paramount interests of the creditors and a proper deference to their reasonable views.

In re A & C Properties, 784 F.2d 1381; In re Woodson, 839 F.2d 620. In other words, the Court must weigh certain factors in order to determine whether the compromise is in the best interests of the bankruptcy estate. In re A & C Properties, 784 F.2d 1382.

First and foremost the Trustee and Lenders, both through their counsel have considered that either party could succeed at either the trial court level or a subsequent appellate court level. Specifically, the critical issue of whether the incorrect lot number and assessor's parcel number for the Pepper Tree Property is sufficient to put a bona fide purchaser on notice as asserted under the Trustee's "strong arm powers" of Section 544 of the Bankruptcy Code could sway in either direction, thus the likelihood of success of the litigation and the doubt both Parties have to certain success in the litigation clearly dictates that compromise of the claims makes the most economic sense.

Second factor of whether there would be collection problems does not really enter into the present case since the net sales proceeds from the Pepper Tree Property are being held in a blocked account maintained by the Chapter 7 Trustee until conclusion or settlement of the above-captioned Adversary Proceeding.

Third factor, namely the complexity and costs involved were outlined in relation to the first factor. Moreover, as the Court is well aware, both the Lenders and the Trustee have devoted substantial sums of money litigating the legal issues and if the matter is not compromised as proposed, the Parties' will be incurring substantial additional costs, both at the trial court level and no doubt at the appellate court level. Unless compromised as proposed by the Parties, the legal fees for both Parties will exceed the net recovery for the prevailing party, regardless which party prevails.

Finally, not only does the compromise conclude the matter it allows the Trustee to promptly begin the case closing process and distribute the net proceeds to the Debtors' creditors as proposed in the Settlement. Overall, though the Adversary Proceeding involves unique legal issues, the Trustee's primary objective of resolving the Debtors' estate in an

Case 6:08-bk-24094-MJ Doc 76 Filed 12/21/10 Entered 12/21/10 19:24:18 Desc Main Document Page 8 of 12

expeditious manner is achieved with this Settlement.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

After discussion with counsel and reviewing all the relevant facts the Trustee has determined that the settlement is fair and reasonable under the relevant circumstances. Thus, Karl T. Anderson as Trustee believes the proposed global settlement is in the best interests of the Debtor's bankruptcy estate.

The interests of the creditors would best be served if this Court were to approve the Settlement Agreement between, the various Lenders and the Trustee as set forth above, in that the Settlement Agreement will avoid costly litigation which is not likely to result in a judgment net of additional estimated attorneys fees in an amount greater than that proposed in the Settlement Agreement.

٧,

#### CONCLUSION

Based on the foregoing, the Trustee respectfully requests that he be authorized to settle and compromise the above-referenced Adversary Proceeding under the terms and conditions set forth in the Settlement Agreement between the Trustee and the Lenders and for such other and further relief as this Court deems just and proper.

DATED: DECEMBER 21, 2010

POLIS & ASSOCIATES, A PROFESSIONAL LAW CORPORATION

By: <u>/s/ Thomas J. Polis</u> Thomas J. Polis Counsel for Chapter 7 Trustee, Karl T. Anderson

R

#### DECLARATION OF KARL T. ANDERSON

I, Karl T. Anderson, declare as follows:

.4

1.3

- 1. I am the Chapter 7 Trustee of the bankruptcy estate of *In re Marlow Howard Hooper and Monique L. Hooper*, Case No. 6:08-bk-24094-MJ ("Debtors"). I make this Declaration in support of the *Chapter 7 Trustee's Motion For Order Authorizing Trustee's Settlement Agreement And Global Compromise of Discharge Adversary Proceeding [Adv. Proc. 6:09-01275-MJ].* I am competent to testify to the following on my own personal knowledge, information and belief.
- 2. On or about October 15, 2008, the Debtors filed a voluntary Bankruptcy Petition under Chapter 7 of the United States Bankruptcy Code ("Bankruptcy Code") in the United States Bankruptcy Court for the Central District of California, Riverside Division (the "Bankruptcy Court"), assigned case number 6:09-bk-24094-MJ. I was appointed initially as the interim Trustee and, upon the conclusion of the meeting of creditors, I am now the permanent Chapter 7 Trustee in this case.
- 3. The Schedules of Assets and Liabilities filed by the Debtors list secured claims against the Debtors' residential property located at 5455 Peppertree Place, Rancho Cucamonga, California, with a legal description of "Lot 19, Tract 16332, in the City of Rancho Cucamonga, County of San Bernardino, State of California, as per Plat recorded in Book 293 of Maps, page(s) 75 to 78, inclusive, records of said county" (the "Property") held by GMAC pursuant to: (1) a first deed of trust in the amount of approximately \$1,077,217.96; and (2) a second deed of trust in the amount of approximately \$163,791.03 (collectively, the "Lender Liens").
- 4. On December 31, 2008, the Lender filed an amended motion [Docket No. 14] (the "Stay Motion") seeking relief from stay with respect to the Property. On February 5, 2009, the Court entered an order [Docket No. 18] granting the Stay Motion.
- On February 19, 2009, the Court entered an order [Docket No. 21] closing the
   Debtors' Chapter 7 case.

11///

3

4

5 6

7 8

10

9

12

11

13 14

15 16

17

18

19 20

21

22

23 24

25 26

- On April 30, 2009, the Court entered an order [Docket No. 26] granting the Debtors' motion to re-open the Chapter 7 case.
- 7. On June 11, 2009, I initiated an Adversary Proceeding, Adv. No. 6:09-ap-01275-MJ (the "Adversary"), wherein I sought to avoid the certain transfers related to the Lender Liens under Sections 547 and 550 of the Bankruptcy Code.
- 8, On or about January 4, 2010, I filed my Motion for Order Re: Summary Judgment ("Motion for Summary Judgment") in the Adversary. After an initial hearing on the Motion for Summary Judgment, supplemental briefing was requested by the Court. The time for the Lender to file its supplemental reply brief, and the continued hearing on the Motion For Summary Judgment, have been continued from time to time with the agreement of myself and the Lenders. The Lenders' supplemental reply brief currently due to be filed on February 10, 2011, and the continued hearing on the Motion for Summary Judgment currently is scheduled for February 24, 2011 at 10:00 a.m.
- On November 24, 2010 the Court entered an order [Docket No. 68] approving 9. the sale of the Property. The Property sale has closed and I am holding the net proceeds for the benefit of the estate in the amount of \$555,911 (the "Net Proceeds") pending further order of the Court.
- 10. The Lenders and I have entered in discussions regarding a resolution of the Adversary and the distribution of the net proceeds of the Property sale, and have reached agreement as set forth herein.
- Attached hereto as Exhibit "A" is a true and correct copy of the final version of 11. the Settlement Agreement, that upon complete execution will be filed and served pursuant to the Local Bankruptcy Rules and the Federal Rules of Bankruptcy Procedure.
- 12. I believe as the Debtors' Chapter 7 Trustee of the bankruptcy estate that the proposed Settlement addresses all of the factors required by the Ninth Circuit in the In re A& C Properties case. Specifically, I believe that for the reasons detailed in the Compromise Motion that when I factor in: (1) the probability of success; (2) the issues related to collection; (3) the complexity of the litigation involved; and (4) most importantly the efficiency of

12-12020-mg Doc 6046 Filed 12/09/13 Entered 12/09/13 15:58:56 Main Document Case 6:08-bk-24094-MJ Doc 76 P@20dof2321/10 Entered 12/21/10 19:24:18 Desc Main Document Page 11 of 12

administering the Debtors' bankruptcy estate that the Settlement is by far the best option and resolution of the Adversary Proceeding.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on December 21, 2010 at Palm Springs, California.

/s/ Karl T. Anderson Karl T. Anderson

-1

12-12020-mg Doc 6046 Filed 12/09/13 Ent	ered 12/09/13 15:58:56 Main Document 33				
Case 6:08-bk-24094-MJ Doc 76 Filed 12 Main Document					
In re: Marlow Howard Hooper and Monique L. Hooper,	Chapter 7				
Debtor(s).	Case Number 6:08-bk-24094-MJ				
NOTE: When using this form to indicate service of a proposed Proposed orders do not generate an NEF because only orders	l order, DO NOT list any person or entity in Category I. s that have been entered are placed on the CM/ECF docket.				
PROOF OF SERVICE	F OF DOCUMENT				
I am over the age of 18 and not a party to this bankruptcy case POLIS & AS A Professional L	e or adversary proceeding. My business address is: SOCIATES				
19800 MacArthur Bo	•				
Irvine, Californ					
A true and correct copy of the foregoing document described CHAPTER 7 TRUSTEE'S MOTION FOR ORDER AUTHORIZING TRUSTEE'S GLOBAL COMPROMISE AND REVOCATION OF DISCHARGE ADVERSARY PROCEEDING [ADV. PROC. 6:09-01275-MJ]; DECLARATION OF CHAPTER 7 TRUSTEE IN SUPPORT THEREOF will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner indicated below:					
I. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING ("NEF") — Pursuant to controlling General Order(s) and Local Bankruptcy Rule(s) ("LBR"), the foregoing document will be served by the court via NEF and hyperlink to the document. On December 21, 2010, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following person(s) are on the Electronic Mail Notice List to receive NEF transmission at the email address(es) indicated below:					
<ul> <li>Office of the United States Trustee, Riverside Division - ustpregion16.rs.ecf@usdoj.gov</li> <li>Karl T Anderson edansie@hotmail.com</li> </ul>					
Eddie R Jimenez ecfcacbla@piteduncan.com					
<ul> <li>Jerry LaCues jerry@lacueslaw.com</li> </ul>					
<ul> <li>Alyssa K McCorkle ecfcacb@piteduncan.com</li> </ul>					
Josephine E Piranio ecfcacbrs@piteduncan.com					
Rabin J Pournazarian rabin@pricelawgroup.com					
<ul><li>Nathan A Schultz schultzn@gtlaw.com</li><li>Yaron Shaham ys@severson.com</li></ul>					
Stephen R Wade dp@srwadelaw.com					
Occupied to wade appearwadelaw.com	☐ Service information continued on attached page				
II. SERVED BY U.S. MAIL OR OVERNIGHT MAIL (indicate method for each person or entity served):					
On December 21, 2010, I served the following person(s) and/or entity(ies) at the last known address(es) in this bankruptcy					
case or adversary proceeding by placing a true and correct co	py thereof in a sealed envelope in the United States Mail, first				
class, postage prepaid, and/or with an overnight mail service addressed as follows. Listing the judge here constitutes a					
declaration that mailing to the judge <u>will be</u> completed no later than 24 hours after the document is filed.					
SERVED VIA GOLDEN STATE OVERNIGHT	Destinant Court Court District Court				

- Honorable Judge Meredith A. Jury, United States Bankruptcy Court, Central District of California 3420 Twelfth Street, Suite 345, Riverside, California 92501
- Marlow Hooper, 12471 Melon Dr., Rancho Cucamonga, CA 91739

III. SERVED BY PERSONAL DELIVERY, FACSIMILE TRANSMISSION OR EMAIL (indicate method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on I served the following person(s) and/or entity(ies) by personal delivery, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on the judge will be completed no later than 24 hours after the document is filed.

Service information continued on attached page

I declare under penalty of perjury under the		e information continued on attached page that the foregoing is true and correct,
December 21, 2010	Cristina L. Allen	/s/ Cristina L. Allen
Date	Type Name	Signature

```
12-12020-mg Doc 6046 Filed 12/09/13 Entered 12/09/13 15:58:56 Main Document
   Case 6:08-bk-24094-MJ Doc 76-1PgF2/Coft 2821/10 Entered 12/21/10 19:24:18 Desc
                              Exhibit A Page 1 of 8
      NATHAN A. SCHULTZ (State Bar No. 223539)
       WILLIAM MARK LEVINSON (State Bar No. 133002)
       GREENBERG TRAURIG, LLP
       2450 Colorado Avenue, Suite 400E
       Santa Monica, California 90404
       Telephone: (310) 586-7700 Facsimile: (310) 586-7800
       Email:
               schultzn@gtlaw.com
       Attorneys for GMAC Mortgage, LLC
    6
    7
                           UNITED STATES BANKRUPTCY COURT
                           CENTRAL DISTRICT OF CALIFORNIA
    8
                                  RIVERSIDE DIVISION
    9
       In re
                                          Case No. 6:08-bk-24094-MJ
  10
                                          Chapter 7
       MARLOW HOWARD HOOPER AND
       MONIQUE L. HOOPER,
   11
                                          STIPULATION BETWEEN CHAPTER 7
                       Debtors.
                                          TRUSTEE AND DEFENDANTS GMAC
   12
                                          MORTGAGE, LLC, ETS SERVICES,
                                          LLC, AND MORTGAGE ELECTRONIC
   13
                                          REGISTRATION SYSTEMS, INC.
                                          REGARDING: (I) DISTRIBUTION OF
   14
                                          PROCEEDS FROM SALE OF PROPERTY;
                                          AND (II) RESOLUTION OF
   15
                                          PREFERENCE AVOIDANCE ACTION
   16
   17
   18
   19
   20
   21
```

TO THE HONORABLE MEREDITH JURY, UNITED STATES BANKRUPTCY JUDGE, THE

23 | CLERK OF THE BANKRUPTCY COURT, AND ALL OTHER PARTIES IN INTEREST:

GMAC Mortgage, LLC ("GMAC"), ETS Services, LLC ("ETS"), and
Mortgage Electronic Registration Systems, Inc. ("MERS", and
collectively with ETS and MERS, the "Lender") and Karl T. Anderson,
the duly appointed and acting Chapter 7 Trustee (the "Trustee") for

22

#### Case 6:08-bk-24094-MJ Doc 76-1 Filed 12/21/10 Entered 12/21/10 19:24:18 Desc Exhibit A Page 2 of 8

the bankruptcy estate of Debtors Marlow and Monique Hooper (the "Debtors") hereby request that the Court approve the within stipulation between the parties.

#### RECITALS

- A. On October 15, 2008, the Debtors filed a voluntary petition under chapter 7 of the Bankruptcy Code. The Trustee was appointed as chapter 7 trustee for the Debtors' estate.
- The Schedules of Assets and Liabilities filed by the 8 9 Debtors list secured claims against the Debtors' residential 10 property located at 5455 Peppertree Place, Rancho Cucamonga, California, with a legal description of "Lot 19, Tract 16332, in 11 the City of Rancho Cucamonga, County of San Bernardino, State of 12 13 California, as per Plat recorded in Book 293 of Maps, page(s) 75 to 78, inclusive, records of said county" (the "Property") held by 14 15 GMAC pursuant to: (1) a first deed of trust in the amount of 16 approximately \$1,077,217.96; and (2) a second deed of trust in the amount of approximately \$163,791.03 (collectively, the "Lender 17 Liens"). 18
  - C. On December 31, 2008, the Lender filed an amended motion [Docket No. 14] (the "Stay Motion") seeking relief from stay with respect to the Property. On February 5, 2009, the Court entered an order [Docket No. 18] granting the Stay Motion.
  - D. On February 19, 2009, the Court entered an order [Docket No. 21] closing the Debtors' chapter 7 case.
- E. On April 30, 2009, the Court entered an order
  [Docket No. 26] granting the Debtors' motion to re-open the chapter
  7 case.

28

19

20

21

22

23

24

2

3

4

5

б

- F. On June 11, 2009, the Trustee initiated an Adversary Proceeding, Adv. No. 6:09-ap-01275-MJ (the "Adversary"), wherein the Trustee sought to avoid the certain transfers related to the Lender Liens under sections 547 and 550 of the Bankruptcy Code.
- G. On or about January 4, 2010, the Trustee filed its Motion for Order Re: Summary Judgment ("Motion for Summary Judgment") in the Adversary. After an initial hearing on the Motion for Summary Judgment, supplemental briefing was requested by the Court. The time for the Lender to file its supplemental reply brief, and the continued hearing on the Motion For Summary Judgment, have been continued from time to time with the agreement of the Trustee and the Lender. The Lender's supplemental reply brief currently is due to be filed on February 10, 2011, and the continued hearing on the Motion for Summary Judgment currently is scheduled for February 24, 2011 at 10:00 a.m.
- H. On November 24, 2010 the Court entered an order [Docket No. 68] approving the sale of the Property. The Property sale has closed and the Trustee is holding net proceeds for the benefit of the estate in the amount of \$555,911 (the "Net Proceeds") pending further order of the Court.
- I. The Trustee and the Lender have entered in discussions regarding a resolution of the Adversary and the distribution of the net proceeds of the Property sale, and have reached agreement as set forth herein.

WHEREFORE, THE PARTIES STIPULATE AND AGREE AS FOLLOWS:

Upon entry of a Court order approving this
 Stipulation: (a) the Motion for Summary Judgment shall be taken off
 calendar; and (b) the Trustee shall lodge with the Court a

#### Case 6:08-bk-24094-MJ Doc 76-1 Filed 12/21/10 Entered 12/21/10 19:24:18 Desc Exhibit A Page 4 of 8

stipulated judgment ("Judgment") providing for (i) a portion of the Lender Liens in the amount of \$95,000 to be avoided and preserved for the benefit of the estate pursuant to section 551 of the Bankruptcy Code, and (ii) the Adversary otherwise to be dismissed with prejudice as to all Defendants.

- 2. Upon entry of the Judgment: (a) the Net Proceeds shall be disbursed as follows: (i) the estate shall retain \$95,000 for payment of (x) a distribution to creditors holding allowed unsecured claims (excluding any deficiency or other claim of the Lender) in the amount of not less than \$10,000, and (y) allowed chapter 7 administrative expenses and distribution in an amount not to exceed \$85,000; (ii) GMAC shall be allowed a claim in the amount of the remaining Net Proceeds (not less than \$460,000); and (iii) the remaining Net Proceeds (not less than \$460,000) shall be disbursed to GMAC; and (b) the Trustee shall promptly seek to have the Court close the Debtors' chapter 7 case.
- approving this Stipulation and the entry of the Judgment becoming final: (a) the Trustee, on behalf of the chapter 7 estate and in his capacity as chapter 7 trustee, irrevocably and unconditionally releases and forever discharges the Defendants from any and all charges, complaints, claims, and liabilities of any kind, including, without limitation, claims for the recovery of preferential transfers, fraudulent conveyances, or other avoidance actions under federal or state law, including all attorneys' fees, interest, expenses, and costs actually incurred or of any nature whatsoever, known or unknown, suspected or unsuspected, which in any way arise from or relate to the Property; and (b) the

#### 12-12020-mg Doc 6046 Filed 12/09/13 Entered 12/09/13 15:58:56 Main Document Caşe 6:08-bk-24094-MJ Doc 76-1Pg Elice of 132321/10 Entered 12/21/10 19:24:18 Desc Exhibit A Page 5 of 8

Defendants irrevocably and unconditionally releases and forever 2 discharges the chapter 7 estate and the Trustee from any and all charges, complaints, claims, and liabilities of any kind, 3 4 including, without limitation, claims for the recovery of 5 preferential transfers, fraudulent conveyances, or other avoidance 6 actions under federal or state law, including all attorneys' fees, 7 interest, expenses, and costs actually incurred or of any nature 8 whatsoever, known or unknown, suspected or unsuspected, which in any way arise from or relate to the Property. 9

To the extent that the releases contained in the foregoing Section 3 are releases to which Section 1542 of the California Civil Code or similar provisions of other applicable law apply, the parties to this stipulation waive any and all rights and benefits conferred upon each of them thereby. Section 1542 provides as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

5. For avoidance of doubt, the Debtors shall not be entitled to receive any portion of the Property sale proceeds, whether on account of any asserted homestead exemption or otherwise.

DATED: December 20, 2010

NATHAN A. SCHULTZ, GREENBERG TRAURIG, LLP Counsel for GMAC MORTGAGE, LLC

27

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

12-1202	20-mg Doc 6046 Filed 12/09/13 Er	ntered 12/09/13 15:58:56 Main Document
Ca	se 6:08-bk-24094-MJ Doc 76-1 Filed Exhibit A	f 33 12/21/10 Entered 12/21/10 19:24:18 Desc Page 6 of 8
1		
2		
3	DATED: December 20, 2010	
.4		YARON SHAHAM SEVERSON & WERSON, APC
5 <sub>.</sub>		Counsel for ETS SERVICES, LLC AND MORTGAGE ELECTRONIC REGISTRATION
6		SYSTEMS, INC.
7		
8	DATED: December 20, 2010	THOMAS J. POLIS, ESQ.
9		POLIS & ASSOCIATES, APLC
10		Counsel for Karl T. Anderson, Chapter 7 Trustee
11		
12		
13		
14		
15		
16		
17	·	
18		
19		
20		
21	•	
22		
23 24		
25		
26		•
27		
28		

12-1202		
Cas	Pg 28 of 33 e 6:08-bk-24094-MJ Doc 76-1 Filed 12/21/10 Entered Exhibit A Page 7 of 8	12/21/10 19:24:18 Desc
1 2	In re: MARLOW HOWARD HOOPER AND MONIQUE L. HOOPER, Debtors,	Chapter 7 Case No. 6:08-bk-24094-MJ
3	PROOF OF SERVICE OF DOC	
4	i am over the age of 18 and not a party to this bankruptcy case or adver	sarv proceeding. My business
5	address is: 2450 Colorado Avenue, Suite 400E, Santa Monica, CA 9040	)4
6	A true and correct copy of the foregoing document described STIPUI TRUSTEE AND DEFENDANTS GMAC MORTGAGE, LLC,	ETS SERVICES, LLC, AND
7	MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, DISTRIBUTION OF PROCEEDS FROM SALE OF PROPER	RTY; AND (II) RESOLUTION
8 9	OF PREFERENCE AVOIDANCE ACTION will be served or was a the form and manner required by LBR 5005-2(d); and (b) in the manner	served (a) on the judge in chambers in indicated below:
10	I. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FI controlling General Order(s) and Local Bankruptcy Rule(s) ("LBR"), the	foregoing document will be served by
11	the court via NEF and hyperlink to the document. On December 20, 201 this bankruptcy case or adversary proceeding and determined that the following Mail Notice List to receive NEF transmission at the email addressed indicates.	0 I checked the CM/ECF docket for
12	<u>Chapter 7 Trustee - Karl T Anderson</u> edansie@hotmail.com, kanderson@ecf.epiqsystems.com	A CONTRACTOR OF THE CONTRACTOR
13 14	Counsel for Debtor Marlow Hooper - Jerry LaCues jerry@lacueslaw.com	
15	Counsel for Chapter 7 Trustee - Thomas J Polis tom@polis-law.com	
16	attached page	Service information continued on
1.7	II. SERVED BY U.S. MAIL OR OVERNIGHT MAIL (indicate method for On I served the following pure	each person or entity served):
18	known address(es) in this bankruptcy case or adversary proceeding thereof in a sealed envelope in the United States Mail, first class, pos	erson(s) and/or entity(ies) at the last by placing a true and correct copy tage prepaid and/or with an overnight
20	mail service addressed as follows. Listing the judge here constitutes a will be completed no later than 24 hours after the document is filed.	a declaration that mailing to the judge
21	N/A attached page	Service information continued on
22	III. SERVED BY PERSONAL DELIVERY, FACSIMILE TRANSMISS	SION OR EMAIL (indicate method for
23	each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controll person(s) and/or entity(ies) by personal delivery, or (for those who	ing LBR, on I served the following consented in writing to such service.
24	method), by facsimile transmission and/or email as follows. Listing the that personal delivery on the judge will be completed no later than 24 ho N/A	ours after the document is filed.
25	attached page	
26 27	I declare under penalty of perjury under the laws of the United States of correct.	f America that the foregoing is true and
28		s/ Nathan A. Schultz Signature
	***************************************	<u></u>

Case 6:08-bk-24094-MJ Doc 76-1 Filed 12/21/10 Entered 12/21/10 19:24:18 Desc Exhibit A Page 8 of 8

1	
1	ADDITIONAL ECF SERVICE PARTIES
2	Counsel for Creditor GMAC Mortgage, LLC - Nathan A. Schultz schultzn@gtlaw.com
3	Counsel for ETS Services LLC and Mortgage Electronic Registration Systems, Inc Yaron Shahan ys@severson.com
4	
5	United States Trustee ustpregion16.rs.ecf@usdoj.gov
б	
7.	
8	
9	
10	
11	
12	
13	
14	
15	
16	$\cdot$
17	
18	
19	
20	
21	
22	
23	
24	
25	
26	
27	

Case 6:08-bk-24094-MJ Doc 97 Pfiled 0/4820/11 Entered 04/20/11 10:27:58 Desc Main Document Page 1 of 4 **FILED & ENTERED** Thomas J. Polis, Esq. - CSBN 119326 1 Polis & Associates, A Professional Law Corporation 19800 MacArthur Boulevard, Suite 1000 2 APR 20 2011 Irvine, California 92612-2433 Telephone: (949) 862-0040 3 (949) 862-0041 Facsimile: CLERK U.S. BANKRUPTCY COURT Central District of California BY tolleson DEPUTY CLERK E-Mail: tom@polis-law.com 4 5 Counsel for Chapter 7 Trustee, Karl T. Anderson 6 7 UNITED STATES BANKRUPTCY COURT 8 CENTRAL DISTRICT OF CALIFORNIA, RIVERSIDE DIVISION 9 10 Case No. 6:08-bk-24094-MJ In re 11 MARLOW HOWARD HOOPER and Chapter 7 12 MONIQUE L. HOOPER ORDER GRANTING CHAPTER 7 TRUSTEE'S 13 Debtors. MOTION FOR GLOBAL COMPROMISE OF ADVERSARY PROCEEDING [ADV. PROC. 14 6:09-ap-01275-MJ] 15 **Hearing:** Date: March 29, 2011 Time: 1:30 p.m. 16 Ctrm: 302, Third Floor 17 3420 Twelfth Street Riverside, California 92501 18 19 20 21 22 23 24 25 26 27 Thomas J. Polls, Esq. Polls & ASSOCIATES, APLC 19800 MecAnthur Blvd Sci 1000 Irvine, California 92612-2433

Settings\Temp\Order#49386#8177c46f-b546-4b97-87cc-901e19218ead.doc

12-12020-mg Doc 6046 Filed 12/09/13 Entered 12/09/13 15:58:56 Main Document

12-12020-mg Doc 6046 Filed 12/09/13 Entered 12/09/13 15:58:56 Main Document Pg 31 of 33

Case 6:08-bk-24094-MJ Doc 97 Filed 04/20/11 Entered 04/20/11 10:27:58 Desc Main Document Page 2 of 4

At the above-captioned time and place, the Honorable Meredith A. Jury, United States Bankruptcy Judge, conducted the hearing on *Plaintiff's Karl T. Anderson's Motion For Order Authorizing Trustee's Global Compromise Re: Adversary Proceeding [Adv. Proc.* 6:09-01275-MJ]. (A true and correct copy of the *Stipulation By and Between Plaintiff Karl T. Anderson and Defendants GMAC Mortgage, ETS Services, and Mortgage Electric Registration Systems'* is attached hereto as Exhibit "A"). Plaintiff Karl T. Anderson, Chapter 7 Trustee, appeared through his counsel of record, Thomas J. Polis, Esq. of Polis & Associates, APLC; GMAC Mortgage, LLC appeared through its counsel of record, Nathan A. Schultz, Esq., of Greenberg Traurig, LLP; ETS Services, LLC and Mortgage Electronic Registration Systems, Inc., appeared through its counsel of record, Yaron Shamon, Esq. of Severson & Werson, APC, and Debtors Marlow Howard Hooper and Monique L. Hooper, appeared through their counsel of record Steven Wade. Pursuant to the findings made on the records, and for good cause;

IT IS SO ORDERED that Chapter 7 Trustee's Motion For Order Authorizing Trustee's Global Compromise Re: Adversary Proceeding [Adv. Proc. 6:09-01275-MJ] is granted.

###

DATED: April 20, 2011

United States Bankruptcy Judge

Marchtla,

12-12020-mg Doc 6046 Filed 12/09/13 Entered 12/09/13 15:58:56 Main Document Pg 32 of 33

Case 6:08-bk-24094-MJ Doc 97 Filed 04/20/11 Entered 04/20/11 10:27:58 Desc Main Document Page 3 of 4

In re: Marlow Howard Hooper and Monique L. Hooper,	D-14(-)	CHAPTER	7	,
	Debtor(s).	CASE NO.	6:08-bk-24094-MJ	

NOTE: When using this form to indicate service of a proposed order, DO NOT list any person or entity in Category I. Proposed orders do not generate an NEF because only orders that have been entered are placed on the CM/ECF docket.

#### PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is **Polis & Associates** 

A Professional Law Corporation 19800 MacArthur Boulevard, Suite 1000 Irvine, California 92612-2433

A true and correct copy of the foregoing document described as: ORDER GRANTING CHAPTER 7 TRUSTEE'S ORDER AUTHORIZING TRUSTEE'S GLOBAL COMPROMISE RE: ADVERSARY PROCEEDING [ADV. PROC. 6:09-01275-MJ] will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner indicated below:

I. TO BE SERVED BY THE COURT VIA NOTICE	E OF ELECT	<b>RONIC FIL</b>	ING ("NEF"	) – Pursuant	to controll	ing General
Order(s) and Local Bankruptcy Rule(s) ("LBR"),	the foregoin	ng docume	nt will be s	erved by the	e court vi	a NEF and
hyperlink to the document. On	, I checked	the CM/EC	F docket for	this bankrup	tcy case c	or adversary
proceeding and determined that the following	person(s) a	ire on the	Electronic I	Mail Notice	List to re	eceive NEF
transmission at the email address(es) indicated be	low:					
	Г	ີ Ser√	rice informati	ion continued	I on attach	ned page

II. SERVED BY U.S. MAIL OR OVERNIGHT MAIL (indicate method for each person or entity served):
On April 4, 2011, I served the following person(s) and/or entity(ies) at the last known address(es) in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States Mail, first class, postage prepaid, and/or with an overnight mail service addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

#### SERVED VIA GOLDEN STATE OVERNIGHT OVERNIGHT DELIVERY

 Honorable Meredith A. Jury, United States Bankruptcy Court, Central District of California 3420 Twelfth Street, Suite 345, Riverside, California 92501-3819

#### SERVED VIA U.S. FIRST CLASS MAIL

- Nathan A. Schultz, Esq., Greenberg Traurig, LLP
   2450 Colorado Avenue, Suite 400E, Santa Monica, California 90404
- Yaron Shaham, Esq., Severson & Werson, APC
   19100 Von Karman, Suite 700, Irvine, California 92612
- Office of the United States Trustee, Riverside Division, 3685 Main Street, Suite 300, Riverside, California 92501
- Stephen R. Wade, Esq., Law Offices of Stephen Wade
   400 N. Mountain Avenue, Suite 214B, Upland, California 91786

		Service information continued on attached page
III. SERVED BY PERSONAL DELIVERY, FACSIMILE TI or entity served): Pursuant to F.R.Civ.P. 5 and/or contro and/or entity(ies) by personal delivery, or (for those who transmission and/or email as follows. Listing the judge her will be completed no later than 24 hours after the document	olling LBF consent re constitu	R, on, I served the following person(s) ted in writing to such service method), by facsimile futes a declaration that personal delivery on the judge

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.				
April 4, 2011	Cristina L. Allen	/s/ Cristina L. Allen		
Date	Type Name	Signature		

Service information continued on attached page

12-12020-mg Doc 6046 Filed 12/09/13 Entered 12/09/13 15:58:56 Main Document Case 6:08-bk-24094-MJ Doc 97 P្ធាខែជាជានិយាក់ Entered 04/20/11 10:27:58 Desc

In re: Marlow Howard Hooper and Monique L. Hooper,	_cay= 4 ur	CHAPTER:	7
Res. Michow Flowera Flooper and Mornique E. Flooper,		Oliva ILIX	,
	Debtor(s).	CASE NO.	6:08-bk-24094-MJ
	Deutoi(s).		·

#### **NOTE TO USERS OF THIS FORM:**

- 1) Attach this form to the last page of a proposed Order or Judgment. Do not file as a separate document.
- 2) The title of the judgment or order and all service information must be filled in by the party lodging the order.
- 3) Category I. below: The United States trustee and case trustee (if any) will always be in this category.
- 4) Category II. below: List ONLY addresses for debtor (and attorney), movant (or attorney) and person/entity (or attorney) who filed an opposition to the requested relief. <u>DO NOT</u> list an address if person/entity is listed in category I.

#### NOTICE OF ENTERED ORDER AND SERVICE LIST

Notice is given by the court that a judgment or order entitled ORDER GRANTING CHAPTER 7 TRUSTEE'S FOR ORDER AUTHORIZING TRUSTEE'S GLOBAL COMPROMISE RE: ADVERSARY PROCEEDING [ADV. PROC. 6:09-01275-MJ] was entered on the date indicated as "Entered" on the first page of this judgment or order and will be served in the manner indicated below:

- I. <u>SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING ("NEF")</u> Pursuant to controlling General Order(s) and Local Bankruptcy Rule(s), the foregoing document was served on the following person(s) by the court via NEF and hyperlink to the judgment or order. As of **April 4, 2011**, the following person(s) are currently on the Electronic Mail Notice List for this bankruptcy case or adversary proceeding to receive NEF transmission at the email address(es) indicated below.
  - Stephen R. Wade, Esq., Law Offices of Stephen R. Wade dp@srwadelaw.com
  - Thomas J. Polis, Esq. Polis & Associates –tom@polis-law.com
  - Office of the United States Trustee, Riverside Division ustpregion16.rs.ecf@usdoj.gov
  - Karl T. Anderson, Chapter 7 Trustee edansie@hotmail.com; kanderson@est.epigsystems.com
  - Josephine E. Piranio, Esq. Pite Duncan, LLP ecfcacbrs@piteduncan.com
  - Eddie R Jimenez, Esq., Pite Duncan ecfcacbla@piteduncan.com
  - Jerry LaCues, Esq., Law Offices of Jerry LaCues jerry@lacueslaw.com
  - Alyssa K McCorkie, Esq., Pite Duncan –ecfcacbla@piteduncan.com

<ul> <li>Rabin J. Pournazarian, Esq. – rabin@pricelawg</li> <li>Nathan A. Schultz, Esq. – schultzn@gtlaw.com</li> <li>Yaron Shaham, Esq. – ys@severson.com</li> </ul>	roup.con	1		
		Service information continued on attached page		
II. <u>SERVED BY THE COURT VIA U.S. MAIL:</u> A copy of this notice and a true copy of this judgment or order was sent by United States Mail, first class, postage prepaid, to the following person(s) and/or entity(ies) at the address(es) indicated below:				
SERVED VIA U.S. FIRST CLASS MAIL  Marlow Howard Hooper and Monique L. Hooper  5455 Pepper Tree Place, Rancho Cucamonga, California 91737				
		Service information continued on attached page		
III. TO BE SERVED BY THE LODGING PARTY: Within 72 hours after receipt of a copy of this judgment or order which bears an "Entered" stamp, the party lodging the judgment or order will serve a complete copy bearing an "Entered" stamp by U.S. Mail, overnight mail, facsimile transmission or email and file a proof of service of the entered order on the following person(s) and/or entity(ies) at the address(es), facsimile transmission number(s), and/or email address(es) indicated below:  Service information continued on attached page				